

Executive Order RP49 - October 27, 2005

Relating to an electric customer education choice campaign, electric conservation by state agencies, and diversity of energy supply.

BY THE

GOVERNOR OF THE STATE OF TEXAS

Executive Department

Austin, Texas

October 27, 2005

WHEREAS, the State of Texas is committed to a strong and robust retail electric market where customers have their choice of providers offering the best product at the most competitive price; and

WHEREAS, it is critically important that electric customers are aware that they may enjoy the benefits of electric competition without experiencing a disruption in their electric service; and

WHEREAS, The State of Texas is committed to containing the cost expended by state agencies for energy; and

WHEREAS, production of electricity is highly dependent on the use of natural gas; and

WHEREAS, because the cost of natural gas has increased by more than 300 percent in the past five years, the cost of electricity has also increased dramatically; and

WHEREAS, due to population increases, the energy demand in the State of Texas is expected to increase 31 percent by the year 2025; and

WHEREAS, the State of Texas is blessed with vast and untapped sources of energy that can be used to diversify and stabilize the cost of energy to the people of Texas;

NOW, THEREFORE, I, Rick Perry, Governor of the State of Texas, by virtue of the power and authority vested in me by the constitution and laws of the State of Texas, do hereby order the following:

Electric Customer Education Campaign. The Public Utility Commission ("PUC") shall administer a public education campaign to make customers aware of retail electric choice.

The PUC shall have the sole discretion to determine the focus of the campaign, which shall emphasize that service will remain reliable if customers switch to a competitive retail electric provider.

The Electric Customer Education Choice Campaign ("Campaign") shall begin no earlier than January 1, 2006.

The Campaign shall be funded by private dollars. The PUC shall ensure that those funds are used for the benefit of the public.

State Agency Energy Savings Program. Each state agency shall develop a plan for conserving energy and shall set a percentage goal for reducing its usage of electricity, gasoline, and natural gas.

Each state agency shall submit the energy conservation plan to the Office of the Governor and the Legislative Budget Board no later than December 1, 2005.

Each state agency shall report back to the Office of the Governor and the Legislative Budget Board with goals achieved, and ideas for additional savings on a quarterly basis. The first quarterly report shall be due no later than April 1, 2006.

Each state agency shall post its report in a conspicuous place on its internet site for public inspection.

Diversity of Energy Supply. In order to encourage diversity of energy supply, the Texas Commission on Environmental Quality ("Commission") shall apply the full resources of the agency to prioritize and expedite the processing of environmental permit applications that are protective of the public health and environment and propose to use Texas' natural resources to generate electrical power.

The Commission shall coordinate with national, state, and local agencies as needed at its discretion in order to avoid any delays in the permit issuance.

The Texas State Office of Administrative Hearings ("SOAH"), shall hold a preliminary hearing no later than one week after the required 30 day public notice for any electric generating facility that has been issued a draft permit by the Commission.

SOAH shall designate parties as provided by law and shall set a schedule that returns a proposal for decision to the Commission in no more than six consecutive months from the date of the referral.

The Commission shall require immediate notice to be provided within 48 hours of referral, including direct referral to SOAH.

The Commission shall give priority to a proposal for decision issued by SOAH as described above and shall consider this proposal for decision at its earliest agenda meeting, as allowed by law.

The Commission and SOAH are requested to explain any delays that may result in a failure to comply with this order on a monthly basis to the Governor, the Lieutenant Governor, and the Speaker of the House of Representatives.

This executive order supersedes all previous orders in conflict or inconsistent with its terms and shall remain in effect and in full force until modified, amended, rescinded, or superseded by me or by a succeeding Governor.

Given under my hand this the 27th day of October, 2005.

RICK PERRY

Governor

ATTESTED BY:

ROGER WILLIAMS

Secretary of State